

Good morning and thank you Mr. Chairman and members of the committee for the opportunity to express my concerns as a Broadcaster with House Bill 5750.

As Vice President for Clear Channel Radio's eleven stations in West Michigan I come before you today fearful that the investment and good will that we have placed in our personalities over many years could be taken by my competitors by this Bill.

Michigan law currently states "an employer may obtain from an employee an agreement or covenant that protects an employer's reasonable competitive business interests and expressly prohibits an employee from engaging in employment or a line of business after termination of employment if the agreement or covenant is <u>reasonable</u> as to its duration, geographical area, and the type of employment or line of business.

Our industry has always been highly competitive. The risks we take today in this economy with talent development is greater than ever. The risks to recruit, develop, train, and promote good <u>local</u> talent has never been greater. The pressure to take on network programming and to reduce cost and risk of local talent is great. Unfortunately this Bill, HB 5750 would continue to push Broadcaster in a direction away from local talent and reduce employment in the State.

Bill HB 5750 would exempt broadcast employees from non competes with the biggest investment in the area of on air talent lost to another station that have not made this investment.

Most every station invests in promoting talent. The talent becomes part of the business's brand, and the talent also benefits from these efforts. If there is no protection for the employer that investment can be <u>unfairly</u> lost to a competitor who has taken no risk nor made any investment in the talent. There must be a reasonable balance, which current law already promotes. HB 5750 would end up stranding stations' investments in talent – and may very well lead stations to not invest so much in the first place, which harms the audience and harms the artist.

We have seen time again where talent has gained because of the value of the non competes by stations. On air talent giving the station confidence to invest in their growth and brand which in the long run helps both them and the station. This system works well for all concerned.

My specific request is that you consider the negative impact that this Bill will have to not just the Broadcasters, but the Listener in Michigan and the artists as well.

I am asking that we keep jobs here and continue to allow reasonable employment agreements to include covenants not to compete.

Thank you.

Tim Feagan Vice President Market Manager